

SHEINMAN, S.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

WELLMAN, INC., *et al.*,

Debtors.

Official Committee of Unsecured
Creditors of Wellman, Inc., *et al.*,

Appellant,

v.

Wellman, Inc., *et al.*,

Appellees.

Chapter 11

Case No. 08-10595 (SMB)

Jointly Administered

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08 CV 04470 (SAS)

**STIPULATED ORDER AUTHORIZING THE
INTERVENTION BY (A) THE BANK OF NEW YORK, AS
FIRST LIEN TERM LOAN AGENT, AND (B) WILMINGTON
TRUST COMPANY, AS SECOND LIEN TERM LOAN AGENT**

Wellman, Inc. and certain of its domestic affiliates as debtors in possession (collectively, the "Debtors"), the Official Committee of Unsecured Creditors of Wellman, Inc., *et al.* (the "Committee"), The Bank of New York as First Lien Term Loan Agent (as defined below), and Wilmington Trust Company as Second Lien Term Loan Agent (as defined below), by and through their respective counsel, hereby enter into this stipulation and agreed order (the "Stipulation") and stipulate and agree as follows:

WHEREAS, on February 22, 2008, the Debtors each commenced chapter 11 cases (the "Chapter 11 Cases") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court");

WHEREAS, on the same date, the Debtors filed their motion (the "DIP Motion") seeking approval of proposed postpetition secured financing, as well as the grant of adequate protection ("Adequate Protection") to the Debtors' prepetition secured first and second-lien term loan creditors (the "Prepetition Secured Creditors");

WHEREAS, on March 10, 2008, the Office of the United States Trustee formed the Committee;

WHEREAS, on March 25, 2008, the Committee filed an Objection (the "Committee Objection") to the DIP Motion, arguing, among other things, that the Prepetition Secured Creditors were not entitled to Adequate Protection;

WHEREAS, on March 27, 2008, The Bank of New York, as successor administrative and collateral agent (the "First Lien Term Loan Agent") under that certain First Lien Senior Credit Agreement, dated as of February 10, 2004 (the "First Lien Term Loan"), filed a reservation of rights with respect to the Committee Objection;

WHEREAS, on March 31, 2008, an informal group of holders of loans (the "Informal Second Lien Lender Group") under that certain Second Lien Senior Credit Agreement, dated as of February 10, 2004 (the "Second Lien Term Loan"), filed a response to the Committee Objection, challenging, in particular, the Committee's contention that the Prepetition Secured Creditors are not entitled to Adequate Protection;

WHEREAS, Wilmington Trust Company (the "Second Lien Term Loan Agent") is successor administrative agent and collateral agent with respect to the Second Lien Term Loan;

WHEREAS, on April 1, 2008, the Bankruptcy Court held a hearing on the DIP Motion and the Committee Objection, at which the First Lien Term Loan Agent and the Informal Second Lien Lender Group contested the Committee Objection;

WHEREAS, on April 7, 2008, the Bankruptcy Court entered an order approving the DIP Motion (the "Final DIP Order"), including the grant of Adequate Protection to the Prepetition Secured Creditors;

WHEREAS, on April 14, 2008, the Committee commenced the above-captioned appeal of the Final DIP Order (the "DIP Appeal") by filing a notice of appeal with this Court;

WHEREAS, on May 27, 2008, this Court entered a Stipulated Order Regarding Briefing Schedule (the "Briefing Order") setting forth the deadlines by which the Debtors and the Committee must file their respective papers with respect to the DIP Appeal;


WHEREAS, the Debtors and the Committee (i) have no objection to the intervention of The Bank of New York and Wilmington Trust Company in the DIP Appeal and (ii) wish to supplement the Briefing Order as set forth herein;

NOW THEREFORE, THE PARTIES HEREBY AGREE AND STIPULATE AS FOLLOWS:

1. The Bank of New York, as First Lien Term Loan Agent, and Wilmington Trust Company, as Second Lien Term Loan Agent, shall be permitted to intervene as appellees in the above-captioned DIP Appeal for all purposes; and
2. The responsive briefs of the First Lien Term Loan Agent and the Second Lien Term Loan Agent shall be due on or before July 21, 2008.

Dated: June 20, 2008

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SO ORDERED this ____ day of June, 2008

HONORABLE SHIRA A. SCHEINDLIN

Dated: June ²⁰, 2008

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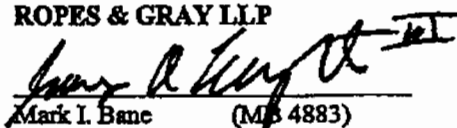
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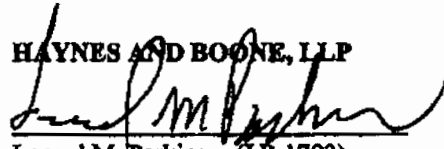
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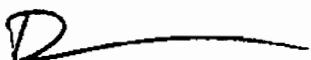
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